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UNITED STATES GOVERNMENT

Memorandum

TO : [redacted] 25X1A

DATE: 23 February 1965

FROM : DAD/S&D

SUBJECT: Comments on Procurement Handbook

CHAPTER I.

1. Paragraph 1.c. - What constitutes a substantial deviation should be spelled out.

2. Paragraph 2.d. - The extent to which employee activity will constitute unauthorized procurement is not defined. This is also contrary to past policy. Precedence should be spelled out also in this regard since some contracts are written in which work orders and things of this nature can be authorized by project officers and this does constitute an obligation on the part of the government.

3. Paragraph 4.c. - Should say that over use of emergency procurement is not consistent with good procurement policy and omit the word violation. Also some indication should be given as to what constitutes reasonable lead time; is it two weeks, or two months?

4. Paragraph 5 - What constitutes evidence of approval and what is the required approval. Is it possible to comply with 6.a. Furthermore, it is doubtful that procurement could act on this information even if they had it. Based on a total number of dollars which are available to the Agency, Logistics should be able to estimate the amount of work that they have to do without asking for this amount of detail.

CHAPTER II.

5. Paragraph 12.a.(3) - Is unacceptable.

6. Does paragraph 13.d. allow technical groups to obtain budgetary estimates in any area without referring to procurement division.

7. Paragraph 14.c. - OEL should not be excluded. OEL should also receive any copies of survey reports.

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8. Paragraph 15 and elsewhere - Indicates a general lack of understanding of the nature of OEL procurement. Paragraph 15.a. for example, indicates that production should never be combined with research and development. The fact of the situation is that a large percentage of our equipment moves from research through development into the "production" of two or three items of equipment which is sufficient for our needs. This differentiation then is unrealistic.

9. Paragraph 15.a.(9) - Type of drawings required should reflect the use of the equipment and the amount which is bought and not be predicated upon arbitrary definitions of what constitutes pre-production, production, development, etc.

10. Paragraph 15.a.(10) - The same sort of reasoning applies here. The definitions of production, etc., are too arbitrary.

11. Paragraph 15.b.(1) - What is the difference between cost proposals under this paragraph and the budgetary type of proposals which are mentioned earlier which could be obtained without reference to the Procurement Division.

12. Same comments apply to paragraphs (2) (a); (3) (a); etc.

13. Paragraph 16 - OEL technical representatives should review all proposals prior to contract awards regardless of any expressed desire.

14. Paragraph 18.a. - Too restrictive since sometimes the holdup on proceeding with work on a contract is technical in nature and provision should be made for this circumstance.

15. Paragraph 21.b. - Provision should be made such that Procurement Division personnel do not monitor contracts for OEL without prior notification of OEL. This should be construed to mean that the technical project officer will control the visitation of the contractor.

General Comments:

16. No where in this procurement document are provisions made for reporting back to the technical division (example, OEL) of the milestone costs incurred, etc., which we find critical in the conduct of our business. In particular, Procurement Division has not incorporated in its contracts the recommendations proposed by [redacted] Steps should be taken to see that this is done.

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